GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

STARRED QUESTION NO:77
ANSWERED ON:03.03.2008
LOANS TO WEAVERS AT LOW RATE OF INTEREST
Renge Patil Shri Tukaram Ganpatrao;Yadav Shri M. Anjan Kumar

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government proposes to waive off the outstanding loans to the weavers in the country;

(b) if so, the details thereof;

(c) whether it is also proposed to provide fresh loans to the weavers at low rate of interest; and

(d) if so, the details thereof?

Answer

MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO.77 FOR 03.03.2008 REGARDING `LOANS TO WEAVERS AT LOW RATE OF INTEREST`.

(a) to (d): A committee headed by Managing Director, National Bank for Agriculture and Rural Development (NABARD) was formed by this Ministry to look into the problems of high cost of working capital and choking of credit lines in the handloom sector. The committee prepared a Financial Package in this regard whose proposals inter-alia include:

i. Cleansing of the balance sheet of Apex and Primary Weavers Cooperative Societies (viable and potentially viable) with adequate fund support from Government.

ii. Waiver of overdue interest and overdue loans of Weavers / PWCSs/Apex Societies as on 31st March, 2006.

iii. Financing the credit needs of handloom weavers/ societies at 7% rate of interest with interest subvention to NABARD and banks from Government of India.
The above proposals are under consideration of the Government.